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**KYRGYZSTAN**

## SUCCESS STORY

# A Chance To Lease Land

**A USAID-supported land auction enables a business woman to invest into agriculture.**



*Salieva Gulyumkan - winner of the land auction in Ak-Dobo AO Ysyk-Kol Oblast at her field of wheat. Photo: Gudkov Dmitry*

*Since 2007 USAID's Land Reform project helped to conduct over 30 auctions, where over 1400 people leased land for agricultural activity.*

Gulyumkan Salieva is a successful owner of a small chain of pharmacies in Kara-Kol City, northern Kyrgyzstan. Several years ago, she decided to diversify her business and start a farm in her native village of Ak-Dobo in Jeti-Oguz Rayon, Ysyk-Kol Oblast. She was planning to lease some land from the Agricultural Land Redistribution Fund (LRF). However, soon Mrs Salieva discovered that the land is mostly given to the associates of the local government officials. After several unsuccessful attempts to lease land without under-the-table deals, Mrs Salieva decided to postpone her plans.

In April 2007, Mrs. Salieva learned about a new practice being introduced in Ak-Dobo – land lease auctions with assistance from the USAID Land Reform and Market Development Project. The project helped the village government develop a plan for the use of the Land Redistribution Fund's lands, helped organize a public hearing, where the entire village had an opportunity to participate in discussing and amending the plan, and trained the local officials in the auction procedures. The auction was widely advertised through the local press, and the information about the lots to be offered for lease, as well as their starting price, was readily available. Mrs. Salieva decided to try, and won a 5-year lease of a 5-hectare lot. "Auctions are very helpful. First of all, village government officials cannot give land to their relatives anymore," says Mrs Salieva. "Previously, I could not get land at all, and now I have leased over 5 hectares of land for 4.500 Som (\$129) per hectare."

This year, Mrs. Salieva is growing wheat on her land, and is eagerly awaiting for the harvest. "I can already estimate that the harvest will be rich," she says. The woman expects to return a good profit on her investment, and is already planning to lease more land for longer-term investment. "I am not happy to give away land at the end of the 5-year lease term, I would prefer to get land for a longer term," says Mrs. Salieva. She would like to sign a 50-year lease agreement for some currently unusable rocky land. Mrs. Salieva is planning to clean up the land from rocks, and invest into making it suitable for agriculture, and needs a long-term lease to return her investment.